The Dun & Bradstreet Corporation

Current Economic Indicators

Prepared by the Economic Analysis Department

Monthly Business Starts
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News

For Immediate Release

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BUSINESS STARTS DOWN IN JANUARY;

TAX REFORM UNCERTAINTY CITED

NEW YORK, March 9—Business starts declined 15.7 percent in January to 18,021 from 21,386 in the same month a year ago, according to The Dun & Bradstreet Corporation.

"Business starts were down in all areas of the country and in all major industrial sectors, indicating that uncertainty over tax reform is still having a dampening effect on new business formation. Startup activity should increase as entrepreneurs become more comfortable with the tax law, and the pace of the economy quickens, as many analysts anticipate," said Joseph W. Duncan, corporate economist and chief statistician of The Dun & Bradstreet Corporation.

The New England states reported the largest drop in new starts in January, down 32.1 percent to 971 from 1,429. All six states in the region reported decreases in starts and five experienced a decline in the number of resultant new jobs. In Massachusetts, however, the number of jobs created by new businesses rose 12.9

-more-

percent to 2,251 from 1,994, while the number of new businesses dropped 32.7 percent to 412 from 612.

Duncan said that on a national level, employment associated with new businesses in January declined 17.7 percent to 85,717 from 104,169.

The second largest decline in starts occurred in the West South Central states, which includes the oil-patch area of Oklahoma, Louisiana and Texas as well as Arkansas. The region was down 28.4 percent to 1,956 from 2,733.

The trends in business starts in the other regions were as follows: the Middle Atlantic states, down 4.9 percent to 3,176 from 3,338; the East North Central states, down 18.8 percent to 2,452 from 3,019; the West North Central states, down 5.6 percent to 1,050 from 1,112; the South Atlantic states, down 22.0 percent to 3,224 from 4,133; the East South Central states, down 17.5 percent to 867 from 1,051; the Mountain states, down 12.0 percent to 1,247 from 1,417; and the Pacific states, down 2.4 percent to 3,078 from 3,154.

Despite the regional declines, several states reported increases in the number of business starts in January. They included Pennsylvania, up 9.2 percent from the same month a year ago; Maryland, up 2.4 percent; and Washington, up 4.1 percent.

From an industry viewpoint, all major industry sectors also reported a decline in starts. The finance, insurance and real estate sector showed the smallest decrease, down 4.1 percent to 1,367 from 1,426. The largest decrease came in the mining sector, down 45.8 percent to 109 from 201.

The trends in other industry sectors were as follows: agriculture, forestry and fishing, down 6.4 percent to 247 from 264; construction, down 20.2 percent to 2,140 from 2,681; manufacturing, down 14.6 percent to 1,492

from 1,748; transportation and public utilities, down 10.8 percent to 647 from 725; wholesale trade, down 19.7 percent to 1,876 from 2,335; retail trade, down 16.8 percent to 5,047 from 6,069; and services, down 16.5 percent to 4,293 from 5,144.

Dun & Bradstreet's new business starts series supersedes D&B's previous business starts statistical series. It is based on new entries to D&B's commercial credit information file, which currently contains data on more than nine million U.S. firms that account for well over 90 percent of total U.S. employment.

The Dun & Bradstreet Corporation is the world's largest marketer of business information and services, with worldwide revenue of $3.1 billion in 1986.

(See Attached Tabular Data)

NOTES PERTAINING TO ALL TABLES

1. As of January 1985 Dun & Bradstreet expanded the aggregation of the business starts statistical series to include companies entered into the business data file in a particular year whose actual date of business birth occurred in any of the previous two years as well as the year of entry itself. Business starts data published prior to this alteration are not comparable to current statistics using this new definition.

2. Prior year data represent official results; current year data are preliminary and may be revised in subsequent releases.

3. Monthly tabulations are calculated by including data for all weeks in which Friday falls within the particular month. This may result in a differing number of weeks for the same month from year to year.

4. Industry computations are made by using the SIC (Standard Industrial Classification) code assigned by the field data collection staff, based on the type of business the company is engaged in. There are some companies for which no SIC code is appropriate. The SIC table as developed and maintained by the U.S. Government recognizes this and includes code 9999 for these establishments. The tabulation for this category appears in the industry tables under the heading of 'Nonclassifiable Establishments'.

5. There are some business starts for which employment information is either unavailable or unobtainable. For statistical purposes these companies are counted as having zero employees and are included as such in appropriate tables.

6. Any questions or comments concerning the information contained in these tables can be directed to:

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THE DUN & BRADSTREET CORPORATION - ECONOMIC ANALYSIS DEPARTMENT
U.S. MONTHLY BUSINESS STARTS

Start Month	1986 Starts	1986 Employment	1987 Starts	1987 Employment
January	21,386	104,169	18,021	85,717
	21,386	104,169	18,021	85,717

NOTE: This compilation covers all businesses with a 1987, 1986 or 1985 starting date added to the Dun & Bradstreet business data file in January 1987. It includes newly opened establishments. It does not include changes in ownership of previously operating businesses or changes in name, location, legal type or mergers. Last year's figures are official, this year's are preliminary.

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THE DUN & BRADSTREET CORPORATION - Economic Analysis Department

Business Starts by states and regions
January 1986 vs. January 1987

	1986	1987	% Change
New England	1,429	971	-32.1%
Maine	106	66	-37.7%
New Hampshire	161	86	-46.6%
Vermont	74	52	-29.7%
Massachusetts	612	412	-32.7%
Connecticut	389	290	-25.4%
Rhode Island	87	65	-25.3%
Middle Atlantic	3,338	3,176	-4.9%
New York	1,788	1,599	-10.6%
New Jersey	797	755	-5.3%
Pennsylvania	753	822	9.2%
East North Central	3,019	2,452	-18.8%
Ohio	669	627	-6.3%
Indiana	366	260	-29.0%
Illinois	985	769	-21.9%
Michigan	720	548	-23.9%
Wisconsin	279	248	-11.1%
West North Central	1,112	1,050	-5.6%
Minnesota	279	255	-8.6%
Iowa	141	129	-8.5%
Missouri	342	334	-2.3%
North Dakota	37	31	-16.2%
South Dakota	38	37	-2.6%
Nebraska	83	80	-3.6%
Kansas	192	184	-4.2%
South Atlantic	4,133	3,224	-22.0%
Maryland	411	421	2.4%
Delaware	50	37	-26.0%
District of Columbia	67	68	1.5%
Virginia	475	375	-21.1%
West Virginia	110	103	-6.4%
North Carolina	418	346	-17.2%
South Carolina	227	192	-15.4%
Georgia	586	555	-5.3%
Florida	1,789	1,127	-37.0%

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Business Starts by states and regions
January 1986 vs. January 1987

	1986	1987	% Change
East South Central	1,051	867	-17.5%
Kentucky	257	213	-17.1%
Tennessee	364	308	-15.4%
Alabama	289	212	-26.6%
Mississippi	141	134	-5.0%
West South Central	2,733	1,956	-28.4%
Arkansas	153	145	-5.2%
Oklahoma	222	194	-12.6%
Louisiana	327	250	-23.5%
Texas	2,031	1,367	-32.7%
Mountain	1,417	1,247	-12.0%
Montana	58	47	-19.0%
Idaho	77	59	-23.4%
Wyoming	51	34	-33.3%
Colorado	481	437	-9.1%
New Mexico	132	91	-31.1%
Arizona	386	351	-9.1%
Utah	145	141	-2.8%
Nevada	87	87	0.0%
Pacific	3,154	3,078	-2.4%
Alaska	61	54	-11.5%
Hawaii	78	63	-19.2%
Washington	438	456	4.1%
Oregon	236	181	-23.3%
California	2,341	2,324	-0.7%
Total States and Regions	21,386	18,021	-15.7%

Source: The Dun & Bradstreet Corporation, Economic Analysis Department

THE DUN & BRADSTREET CORPORATION - ECONOMIC ANALYSIS DEPARTMENT

U.S. Business starts by industry
January 1986 vs. January 1987

	Total U.S.		
	1986	1987	% Change
Agriculture, forestry & fishing	264	247	-6.4%
Mining	201	109	-45.8%
Construction	2,681	2,140	-20.2%
Manufacturing	1,748	1,492	-14.6%
Transportation & public utilities	725	647	-10.8%
Wholesale trade	2,335	1,876	-19.7%
Retail trade	6,069	5,047	-16.8%
Finance, insurance & real estate	1,426	1,367	-4.1%
Services	5,144	4,293	-16.5%
Unclassifiable establishments	793	803	
Total	21,386	18,021	-15.7%

Source: The Dun & Bradstreet Corporation, Economic Analysis Department

THE DUN & BRADSTREET CORPORATION - ECONOMIC ANALYSIS DEPARTMENT

U.S. BUSINESS STARTS IN 25 LARGEST CITIES

	January 1986		January 1987	
	Number	Employment	Number	Employment
New York, NY	474	1,981	391	1,906
Chicago, IL	265	827	221	997
Los Angeles, CA	205	1,637	188	982
Philadelphia, PA	132	646	144	546
Detroit, MI	75	459	39	134
Houston, TX	367	1,786	226	1,459
Baltimore, MD	107	523	129	708
Dallas, TX	201	1,500	168	1,010
Washington, DC	67	181	68	318
Cleveland, OH	106	574	89	827
Indianapolis, IN	66	340	37	523
Milwaukee, WI	50	251	46	232
San Francisco, CA	68	362	84	198
San Diego, CA	79	321	94	639
San Antonio, TX	149	809	90	464
Boston, MA	70	447	36	367
Memphis, TN	58	342	34	282
St. Louis, MO	85	610	86	570
New Orleans, LA	34	193	35	480
Phoenix, AZ	114	685	107	467
Columbus, OH	49	189	53	314
Seattle, WA	71	201	86	485
Jacksonville, FL	54	339	35	300
Pittsburgh, PA	65	331	76	234
Denver, CO	135	505	121	466
TOTAL 25 CITIES	3,146	16,039	2,683	14,908
BALANCE OF COUNTRY	18,240	88,130	15,338	70,809
TOTAL UNITED STATES	21,386	104,169	18,021	85,717

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THE DUN & BRADSTREET CORPORATION - ECONOMIC ANALYSIS DEPARTMENT

U.S. BUSINESS STARTS BY SIZE OF EMPLOYMENT AND INDUSTRY

	January 1986		January 1987	
	Number	Employment	Number	Employment
AGRICULTURE, FORESTRY, & FISHING...	264	612	247	810
2 Or Less.....	198	105	202	80
3 To 5.....	39	147	29	109
6 To 10.....	16	110	7	55
11 To 20.....	8	120	2	28
21 Or More.....	3	130	7	538
MINING.....	201	1,242	109	485
2 Or Less.....	100	67	65	29
3 To 5.....	40	140	16	56
6 To 10.....	25	190	12	87
11 To 20.....	25	352	12	173
21 Or More.....	11	493	4	140
CONSTRUCTION.....	2,681	8,977	2,140	6,626
2 Or Less.....	1,753	1,286	1,497	951
3 To 5.....	532	2,023	341	1,290
6 To 10.....	231	1,720	186	1,433
11 To 20.....	109	1,546	79	1,202
21 Or More.....	56	2,402	37	1,750
MANUFACTURING.....	1,748	15,631	1,492	12,732
2 Or Less.....	704	627	651	490
3 To 5.....	467	1,814	365	1,412
6 To 10.....	279	2,151	210	1,563
11 To 20.....	145	2,172	141	2,089
21 Or More.....	153	8,867	125	7,178
TRANSPORTATION & PUBLIC UTILITIES..	725	5,091	647	3,794
2 Or Less.....	344	296	347	235
3 To 5.....	177	685	136	508
6 To 10.....	103	801	83	652
11 To 20.....	54	816	41	596
21 Or More.....	47	2,493	40	1,803
WHOLESALE TRADE.....	2,335	10,218	1,876	7,963
2 Or Less.....	1,116	1,197	991	918
3 To 5.....	749	2,814	539	2,051
6 To 10.....	302	2,243	226	1,727
11 To 20.....	106	1,499	78	1,115
21 Or More.....	62	2,465	42	2,152
RETAIL TRADE.....	6,069	31,170	5,047	25,393
2 Or Less.....	3,226	3,268	2,853	2,408
3 To 5.....	1,632	6,121	1,165	4,386
6 To 10.....	657	4,885	540	4,103
11 To 20.....	253	3,750	246	3,706
21 Or More.....	301	12,146	243	10,790

THE DUN & BRADSTREET CORPORATION - ECONOMIC ANALYSIS DEPARTMENT

U.S. BUSINESS STARTS BY SIZE OF EMPLOYMENT AND INDUSTRY

	January 1986		January 1987	
	Number	Employment	Number	Employment
FINANCE, INSURANCE, & REAL ESTATE..	1,426	7,656	1,367	6,782
2 Or Less.....	745	568	851	517
3 To 5.....	379	1,437	271	1,009
6 To 10.....	154	1,175	122	895
11 To 20.....	85	1,270	71	1,012
21 Or More.....	63	3,206	52	3,349
SERVICES.....	5,144	23,510	4,293	21,082
2 Or Less.....	2,886	2,330	2,569	1,624
3 To 5.....	1,222	4,612	917	3,480
6 To 10.....	616	4,625	460	3,455
11 To 20.....	247	3,579	187	2,734
21 Or More.....	173	8,364	160	9,789
PUBLIC ADMINISTRATION.....	14	60	15	50
2 Or Less.....	5	0	8	3
3 To 5.....	5	21	2	6
6 To 10.....	2	14	4	26
11 To 20.....	2	25	1	15
21 Or More.....	0	0	0	0
NONCLASSIFIABLE ESTABLISHMENTS.....	779	2	788	0
2 Or Less.....	779	2	788	0
3 To 5.....	0	0	0	0
6 To 10.....	0	0	0	0
11 To 20.....	0	0	0	0
21 Or More.....	0	0	0	0
TOTAL UNITED STATES.....	21,386	104,169	18,021	85,717
2 Or Less.....	11,856	9,746	10,822	7,255
3 To 5.....	5,242	19,814	3,781	14,307
6 To 10.....	2,385	17,914	1,850	13,996
11 To 20.....	1,034	15,129	858	12,670
21 Or More.....	869	41,566	710	37,489

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THE DUN & BRADSTREET CORPORATION - ECONOMIC ANALYSIS DEPARTMENT

U.S. BUSINESS STARTS BY INDUSTRY

	January 1986		January 1987	
	Number	Employment	Number	Employment
AGRICULTURE/FORESTRY/FISHING				
Agricultural Production-Crops....	58	103	72	207
Agricultural Production-Livestock	33	54	36	77
Agricultural Services.....	165	440	131	460
Forestry.....	4	0	5	57
Fishing, Hunting, Trapping.....	4	15	3	9
TOTAL AGRICULTURE/FORESTRY/FISHING.	264	612	247	810
MINING				
Metal Mining.....	6	95	14	70
Anthracite Mining.....	1	8	4	0
Bituminous Coal/Lignite Mining...	22	195	11	113
Oil & Gas Extraction.....	163	891	73	262
Nonmet. Mineral Mining Xcpt Fuel.	9	53	7	40
TOTAL MINING.....	201	1,242	109	485
CONSTRUCTION				
Gen. Contractors/Oper. Builders..	1,086	2,823	855	2,399
Construction Other Than Buildings	130	998	82	359
Special Trade Contractors.....	1,465	5,156	1,203	3,868
TOTAL CONSTRUCTION.....	2,681	8,977	2,140	6,626
MANUFACTURING				
Food & Kindred Products.....	94	1,091	72	761
Tobacco Manufacturers.....	0	0	1	0
Textile Mill Products.....	51	642	45	426
Apparel & Other Textile Products.	141	1,193	103	1,026
Lumber & Wood Products.....	99	796	79	717
Furniture & Fixtures.....	75	1,174	62	405
Paper & Allied Products.....	38	462	19	311
Printing & Publishing.....	291	1,539	236	1,303
Chemicals & Allied Products.....	67	774	50	524
Petroleum Refining.....	10	54	7	37
Rubber & Misc. Plastic Products..	64	977	60	597
Leather & Leather Products.....	12	115	14	318
Stone/Clay/Glass Products.....	44	568	44	351
Primary Metal Industries.....	34	456	21	59
Fabricated Metal Products.....	118	1,139	110	1,113
Machinery Xcpt Electrical.....	237	1,342	223	1,759
Electrical/Electronic Equipment..	121	1,066	117	1,248
Transportation Equipment.....	66	763	60	662
Instruments & Related Products...	71	470	59	504
Misc. Manufacturing Industries...	115	890	110	601
TOTAL MANUFACTURING.....	1,748	15,631	1,492	12,732
TRANSPORTATION & PUBLIC UTILITIES				
Railroad Transportation.....	2	5	4	1
Local/Interurban Pass. Trans.....	49	270	56	226
Trucking & Warehousing.....	302	2,098	249	1,079
U.S. Postal Service.....	0	0	0	0
Water Transportation.....	39	145	26	120
Air Transportation.....	34	175	29	136
Pipelines Xcpt Natural Gas.....	0	0	3	16
Transportation Services.....	185	944	170	890
Communication.....	82	1,055	78	1,206
Electric/Gas/Sanitary Services...	32	399	32	120
TOTAL TRANS. & PUBLIC UTILITIES....	725	5,091	647	3,794

THE DUN & BRADSTREET CORPORATION - ECONOMIC ANALYSIS DEPARTMENT

U.S. BUSINESS STARTS BY INDUSTRY

	January 1986		January 1987	
	Number	Employment	Number	Employment
WHOLESALE TRADE				
Durable Goods				
Motor Vehicles/Automotive Equip..	149	693	111	533
Furniture & Home Furnishings.....	88	377	72	212
Lumber & Construction Materials..	115	634	120	409
Sporting Goods/Toys/Hobby Goods..	34	90	35	57
Metals & Minerals Xcpt Petroleum.	54	236	39	197
Electrical Goods.....	171	769	150	876
Hardware/Plumbing/Heating Equip..	81	381	61	292
Machinery Equipment & Supplies...	600	2,832	484	2,033
Miscellaneous Durable Goods.....	154	572	131	559
Total Durable Goods.....	1,446	6,584	1,203	5,168
Non-Durable Goods				
Paper & Paper Products.....	92	365	54	301
Drugs, Proprietors & Sundries....	27	78	38	207
Apparel/Piece Goods/Notions.....	155	729	116	362
Groceries & Related Products.....	233	1,005	171	621
Farm Product Raw Materials.....	22	105	12	38
Chemicals & Allied Products.....	41	102	39	180
Petroleum & Petroleum Products...	35	225	25	184
Beer, Wine & Distilled Beverages.	21	93	7	44
Miscellaneous Non-Durable Goods..	263	932	211	858
Total Non-Durable Goods.....	889	3,634	673	2,795
TOTAL WHOLESALE TRADE.....	2,335	10,218	1,876	7,963
RETAIL TRADE				
Building Materials/Garden Supply.	299	998	256	859
General Merchandise Stores.....	112	467	75	340
Food Stores.....	589	3,367	469	2,309
Automotive Dlrs./Service Stations	526	3,708	457	3,185
Apparel & Accessory Stores.....	908	2,436	780	1,931
Furniture/Home Furnishing Stores.	589	1,702	473	1,732
Eating & Drinking Places.....	1,217	12,939	1,117	10,957
Miscellaneous Retail Trade				
Drug & Proprietary Stores.....	93	439	78	515
Liquor Stores.....	77	295	59	142
Used Merchandise Stores.....	98	192	61	117
Sporting Goods.....	187	507	160	402
Book Stores.....	34	107	30	65
Stationery Stores.....	58	200	4F	182
Jewelry Stores.....	107	323	72	166
Hobby, Toy & Game Shops.....	36	90	42	79
Camera/Photographic Supply Stores	13	36	11	25
Gift, Novelty & Souvenir Shops...	350	823	235	575
Luggage & Leather Goods Stores...	11	27	5	10
Sewing/Needlework/Piece Goods....	42	104	34	91
Nonstore Retailers.....	78	239	77	206
Fuel & Ice Dealers.....	17	9F	18	49
Other Retail Stores.....	628	2,075	490	1,456
Total Miscellaneous Retail Trade...	1,829	5,553	1,420	4,080
TOTAL RETAIL TRADE.....	6,069	31,170	5,047	25,393

THE DUN & BRADSTREET CORPORATION - ECONOMIC ANALYSIS DEPARTMENT

U.S. BUSINESS STARTS BY INDUSTRY

	January 1986		January 1987	
	Number	Employment	Number	Employment
FINANCE/INSURANCE/REAL ESTATE				
Banking	43	679	28	495
Credit Agencies Xcpt Banks	147	1,068	91	963
Security/Commodity Brokers & Svcs	98	860	79	357
Insurance Carriers	32	337	29	567
Insurance Agents/Brokers & Svcs	115	603	133	556
Real Estate	891	3,409	928	3,316
Comb. Real Estate, Insurance, Etc	4	6	1	3
Holding & Other Investment Off	96	694	78	525
TOTAL FINANCE/INSURANCE/REAL ESTATE	1,425	7,656	1,367	6,782
SERVICES				
Hotels & Other Lodging Places	168	1,863	140	1,590
Personal Services				
Laundry/Cleaning/Garment Services	206	726	165	538
Photographic Portrait Studios	23	43	15	14
Beauty Shops	262	841	189	532
Barber Shops	14	18	14	18
Shoe Repair & Hat Cleaning Shops	15	27	19	20
Funeral Services & Crematories	16	36	5	21
Miscellaneous Personal Services	131	401	86	363
Total Personal Services	667	2,092	493	1,506
Business Services				
Advertising	139	498	114	472
Consumer Credit Rptg./Collection	11	46	9	36
Mail/Reproduction/Steno Services	140	411	101	262
Services To Buildings	121	644	96	511
News Syndicates	1	0	2	0
Personnel Supply Services	80	331	52	773
Computer/Data Processing Services	240	1,350	219	1,096
Miscellaneous Business Services	1,286	5,365	1,159	5,003
Total Business Services	2,018	8,645	1,752	8,153
Automotive Repair/Service/Garages	505	1,836	464	1,813
Miscellaneous Repair Services	324	787	298	636
Motion Picture Services	179	939	148	620
Amusement/Recreation Services	161	1,152	136	842
Health Services	436	3,282	347	3,829
Legal Services	153	562	99	505
Educational Services	73	349	40	318
Social Services	77	637	67	390
Museums, Botan./Zoologic Gardens	2	1	5	4
Membership Organizations	106	453	82	174
Private Households	2	0	5	14
Miscellaneous Services				
Engineering & Architectural Svcs	158	620	125	483
Non-Commercial Research Orgs	2	12	2	4
Acctg./Auditing/Bookkeeping Svcs	100	270	84	187
Other Services	13	10	6	14
Total Miscellaneous Services	273	912	217	688
TOTAL SERVICES	5,144	23,510	4,293	21,032
TOTAL PUBLIC ADMINISTRATION	14	60	15	50
NONCLASSIFIABLE ESTABLISHMENTS	779	2	788	0
TOTAL UNITED STATES	21,386	104,169	18,021	85,717

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